STEPTOE & JOHNSON LLP

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June 17, 2005

VIA HAND DELIVERY

Ms. Victoria Rutson Chief Section of Environmental Analysis Surface Transportation Board 1925 K Street, N.W. Washington, D.C. 20423

Re: STB Finance Docket No. 34284, Southwest Gulf Railroad Company -

Construction and Operation Exemption - Medina County, TX

Dear Ms. Rutson:

On June 6, 2005, we submitted a letter to your office describing a so-called "eastern bypass" alignment for the SGR line. I have attached to this letter a map that depicts the corridor for this eastern alignment that was analyzed in our prior letter. This corridor is depicted in orange on this map and described as "SGR Eastern Route." Please note that the depiction of this eastern route corridor does not reflect the level of engineering and other work that would be necessary to define each element of this alignment with precision.

Respectfully,

David H. Coburn

Attorney for Southwest Gulf Railroad Company

140

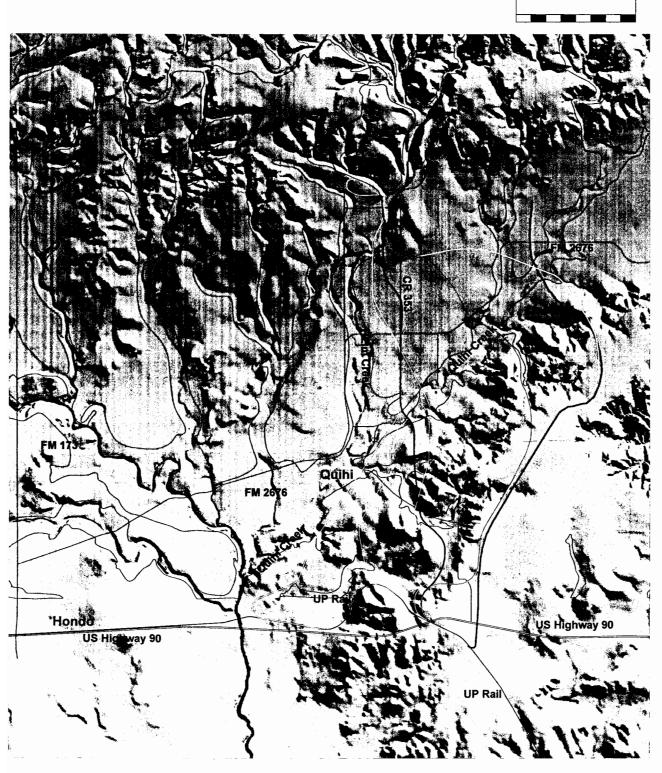
cc: Ms. Rini Ghosh

Ms. Jaya Zyman-Ponebshek

WASHINGTON PHOENIX LOS ANGELES LONDON BRUSSELS

Southwest Gulf Railroad Company: Medina County, Texas Project

2 Miles



Magenta Red Colored Line - SGR Proposed Route

Colored Line - Old Medina Lake Dam Rail Route

Blue

Colored Lines - FEMA Flood Plain

a color copy, Environmenta